

County of Los Angeles
DEPARTMENT OF PUBLIC SOCIAL SERVICES

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August 11, 2009

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**RECOMMENDATION TO AWARD FOUR
CAL-LEARN CASE MANAGEMENT CONTRACTS
(ALL DISTRICTS - 3 VOTES)**

SUBJECT

The Department of Public Social Services (DPSS) requires that the four Adolescent Family Life Program (AFLP) agencies continue to provide Cal-Learn case management services to pregnant and parenting teens who have not completed their high school education.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Delegate authority to the Director of DPSS to execute contracts with the four AFLP agencies listed in Attachment A, substantially similar to the attached contract (Attachment B) for the provision of Cal-Learn case management services. The contracts will be effective September 1, 2009 or upon the DPSS Director's approval, whichever is later, through August 31, 2012. Attachment A provides the estimated annual contract cost for the four contracts at \$8.3 million for an estimated three-year cost of \$25 million. CalWORKs Single Allocation funding for these contracts is included in the Adopted Budget for Fiscal Year 2009-10. Funding for the next two fiscal years will be included in future budget requests. The Board Offices will be notified within ten business days of the execution of the Cal-Learn Case Management contracts with the four AFLP agencies.
2. Delegate authority to the Director of DPSS to prepare and sign amendments to the contracts to increase the monthly firm-fixed fee per participant by no more than ten percent when the change is necessitated by additional and necessary services. The approval of County Counsel and the Chief Executive Office (CEO) will be obtained prior to executing such amendments.

"To Enrich Lives Through Effective And Caring Service"

3. Delegate authority to the Director of DPSS, or his designee, to prepare and sign amendments to the contracts to annually adjust the monthly-fixed fee per participant, based on an increase or decrease in the U.S. Department of Labor, Bureau of Labor Statistics' Consumer Price Index for the Los Angeles-Riverside-Orange County Area. Any increase shall not exceed the general salary movement granted to County employees as determined by the CEO for the 12-month period preceding the contract anniversary date, which shall be the effective date for any cost of living adjustment (COLA). Any adjustment will be at the County's sole discretion. Should fiscal circumstances ultimately prevent the Board of Supervisors from approving any increase in County employee salaries, a COLA will not be granted. The approval of County Counsel and the CEO will be obtained prior to executing such amendments.
4. Delegate authority to the Director of DPSS or his designee to provide the Cal-Learn contractors advance payments at the County's sole discretion to cover their operational/administrative costs when absolutely necessary to allow the contractors to provide critical services to the Cal-Learn population. The advance payment shall be equal to no more than two months of services. The County shall fully recoup all advances prior to the end of the advance payment's fiscal year. Prior to advances being issued, the Cal-Learn contractors shall demonstrate the need for cash advances and develop a plan on how they will utilize, distribute, monitor and repay cash advances back to the County.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Cal-Learn is a State-mandated program for CalWORKs participants who are under 19 years old, are pregnant or parenting and have not yet completed their high school education. The County's Cal-Learn contractors provide comprehensive, intensive case management services to assist teens in completing their high school education.

The Cal-Learn Program was enacted by the State into law in 1993. California Department of Social Services (CDSS) Regulation 42-766 requires that the County contract with existing AFLP providers for case management services. Although CDSS regulations allow the County to provide these services, the County's current Cal-Learn plan, which the Board approved on August 23, 1994, and which CDSS certified, includes contracting with the AFLP agencies for case management services. The current three-year contracts will expire on August 31, 2009.

Effective December 2003, the Board mandated that the Cal-Learn contractors meet three performance measures; a fourth was added on November 30, 2004. The four performance measures are orientation completion (70 percent), school enrollment (60 percent), report card submission (50 percent), and graduation (50 percent). The first three measures are evaluated semi-annually and the fourth measure is evaluated annually.

For the semi-annual review period of September 2008 through February 2009, 76 percent of Cal-Learn participants completed orientation, 65 percent were enrolled in high school, and 85 percent submitted report cards timely. For the annual review period of September 2007 through August 2008, the contractors reflected a 73 percent high school completion rate. This is quite an accomplishment for this hard-to-serve population.

Implementation of Strategic Plan Goals

The contracts are consistent with the principles of the Countywide Strategic Plan Goal #1, Operational Effectiveness: Maximize the effectiveness of processes, structure and operations to support timely delivery of customer-oriented and efficient public services and Goal #2, Children, Family and Adult Well-Being: Enhance economic and social outcomes through integrated, cost-effective and client-centered supportive services.

FISCAL IMPACT/FINANCING

The Cal-Learn contracts are funded with CalWORKs Single Allocation. The monthly per participant rate in the new contracts did not increase from the rate of \$211.21 reflected in the current contracts. There is no additional net County cost since the CalWORKs Maintenance of Effort requirement will be met. These contracts do not include maximum contract amounts because they are caseload driven. Payment is based on the number of eligible teens who are enrolled and participate in the program. The estimated annual contract cost for all four contracts is \$8.3 million for an estimated three-year cost of \$25 million. The contracts include COLA and advance payment provisions.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The County is authorized to provide these services under California's Welfare and Institutions Code, Section 11331 through 11334; and CDSS Regulations 42-762 through 42-769; and the County's Cal-Learn Plan.

The agencies listed in Attachment A have provided satisfactory services to the County for the past 14 years and have been active partners in the administration of these services. The Cal-Learn program was first implemented through Board-approved, sole source contracts on February 28, 1995. The proposed contracts will continue to foster effective partnerships with the County's community-based organizations.

The award of these contracts will not result in unauthorized disclosure of confidential information and will be in full compliance with federal, State and County regulations.

The contracts require the development and utilization of resources, training and logistical support, which are not routinely performed by County staff. As a result, they are non-Prop A contracts.

The contracts include performance outcome measures that will measure the contractors' performance in the areas of orientation completion (73 percent), school enrollment (62 percent), report card submission (70 percent), and high school graduation (60 percent). These percentages have been increased due to the Contractors' performance during the current contract term and their ability to exceed the increased standards. In addition, the increase to school enrollment will better align with meeting the federal Work Participation Rate as Cal-Learn participants' enrollment and attendance in school are counted toward this rate.

The County may terminate the contracts with a written 30 calendar day notice.

The contractors will not be asked to perform services which will exceed the contracts' rates, scope of work, and contract term.

County Counsel and the CEO have reviewed this Board letter and the sample contract has been approved as to form by County Counsel.

CONTRACTING PROCESS

CDSS Regulation 42-766 requires that the County contract with existing AFLP providers for case management services. Although CDSS regulations allow the County to provide these services, the County's current Cal-Learn plan, which the Board approved on August 23, 1994, and which CDSS certified, includes contracting with the AFLP agencies for case management services. Thus, these contracts were not the result of a competitive solicitation but rather procurements by negotiations.

IMPACT ON CURRENT SERVICES

The execution of these contracts will not infringe on the role of the County in its relationship to its residents, and the County's ability to respond to emergencies will not be impaired. There is no change in risk exposure to the County.

The award of these contracts will enable the Department to continue providing Cal-Learn case management services to the County's eligible pregnant and parenting teenagers.

CONCLUSION

The Executive Officer, Board of Supervisors, is requested to return one adopted, stamped Board letter to the Director of DPSS.

Respectfully submitted,



Philip L. Browning
Director

PLB:EK:ab

Attachments

c: Chief Executive Officer
Acting County Counsel
Executive Officer, Board of Supervisors

**CAL-LEARN CASE MANAGEMENT
ESTIMATED CONTRACT COSTS**

AFLP Agencies	Monthly Fixed Cost Per Participant¹	Percent of Caseload Share	Projected Monthly Active Caseload	Estimated Monthly Cost	Estimated Annual Cost	Estimated Total Three-Year Contract Cost
AltaMed Health Services Corporation	\$211.21	26 percent	870	\$183,753	\$2,205,036	\$6,615,108
Childrens Hospital Los Angeles	\$211.21	10 percent	320	\$67,587	\$811,044	\$2,433,132
El Nido Family Centers	\$211.21	50 percent	1,660	\$350,609	\$4,207,308	\$12,621,924
Foothill Family Service	\$211.21	14 percent	450	\$95,044	\$1,140,528	\$3,421,584
Total:		100 percent	3,300	\$696,993	\$8,363,916	\$25,091,748